

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS  
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Planning and Building	(2) MEETING DATE 1/28/2014	(3) CONTACT/PHONE Morgan Torell, Planner III/805-781-5113	
(4) SUBJECT Submittal of a resolution authorizing the Director of the Department of Planning and Building to 1) submit a grant application to the U.S. Department of Housing and Urban Development (HUD) for the 2013 Federal Continuum of Care program and 2) sign the agreements necessary to participate in the program. All Districts.			
(5) RECOMMENDED ACTION It is recommended that the Board adopt and direct the chairperson to sign the attached resolution authorizing 1) the Director of the Planning and Building Department to submit an application and certifications to HUD for the 2013 Federal Continuum of Care Program, and 2) authorize the Director of Planning and Building to sign the Standard Agreements and execute all agreements necessary to implement programs if the application is approved.			
(6) FUNDING SOURCE(S) Federal Continuum of Care	(7) CURRENT YEAR FINANCIAL IMPACT N/A	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? No
(10) AGENDA PLACEMENT <input checked="" type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____ ) <input type="checkbox"/> Board Business (Time Est. ____ )			
(11) EXECUTED DOCUMENTS <input checked="" type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR)  N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: <input type="checkbox"/> 4/5 Vote Required <input checked="" type="checkbox"/> N/A	
(14) LOCATION MAP N/A	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input checked="" type="checkbox"/> N/A    Date: _____	
(17) ADMINISTRATIVE OFFICE REVIEW Lisa M. Howe			
(18) SUPERVISOR DISTRICT(S) All Districts -			

## County of San Luis Obispo



TO: Board of Supervisors

FROM: Morgan Torell, Planner III/805-781-5113

VIA: Wes Drysdale, Administrative Services Manager, Operations Division

DATE: 1/28/2014

SUBJECT: Submittal of a resolution authorizing the Director of the Department of Planning and Building to 1) submit a grant application to the U.S. Department of Housing and Urban Development (HUD) for the 2013 federal Continuum of Care program and 2) sign the agreements necessary to participate in the program. All Districts.

### **RECOMMENDATION**

It is recommended that the Board adopt the attached resolution authorizing 1) the Director of the Planning and Building Department to submit an application and certifications to HUD for the 2013 federal Continuum of Care Program, and 2) authorize the Director of Planning and Building to sign the Standard Agreements and execute all agreements necessary to implement programs if the application is approved.

### **DISCUSSION**

#### Current Program

The County of San Luis Obispo is the lead agency for seven grants from the federal Continuum of Care (CoC) Program which focus on assisting homeless persons and families in transitioning to self-sufficiency and permanent housing. The current grants are implemented by Community Action Partnership of San Luis Obispo County (CAPSLO), Transitions Mental Health Association (TMHA), and the County of San Luis Obispo. TMHA and CAPSLO provide case management services to persons in the southern area of the County, transitional housing and case management services to homeless persons in the City of San Luis Obispo, and permanent housing and case management services to homeless persons with disabilities in both north and south county areas. The Department of Planning and Building administers the Homeless Management Information System (HMIS) grant which provides data for services provided to homeless individuals.

County staff held a stakeholder meeting on December 12, 2013 to listen to needs and discuss possible project ideas for the 2013 application. Attending agencies included CAPSLO and TMHA.

#### 2013 Grant Application for the 2014-2015 Fiscal Year

On November 22, 2013, the Department of Housing and Urban Development (HUD) issued a Notice of Funding Availability (NOFA) for the 2013 Continuum of Care Program competition. County staff then issued a request for proposals (RFP) to invite applications for projects eligible for funding under the program. The County is eligible to apply for \$1,031,601 in CoC funds, all of which must be renewals of existing applications or reallocation of existing programs. No new funds are available for the current competition.

The County will apply for a Homeless Management Information System (HMIS) grant, and it also received six grant applications from TMHA and CAPSLO as listed below, totaling \$1,031,601. All are within the available funding amounts and are recommended by the Homeless Services Oversight Council for the 2013 CoC application to HUD. Below is a description of each application:

1. TMHA: A proposal to renew the *Permanent Housing with Supports* program in Atascadero and Los Osos in the amount of \$56,049. The program provides leasing and supportive services to disabled homeless and chronically homeless individuals in permanent supportive housing for one year. Up to ten persons can be housed at one time. This activity would be a one year grant.
2. CAPSLO: A proposal to renew the *North County Permanent Housing and Case Management Program* in the amount of \$49,028. The grant program provides leasing and supportive services to six disabled chronically homeless individuals in permanent supportive housing units in Atascadero. Up to six persons can be housed at one time. This activity would be a one year grant.
3. TMHA: A proposal to renew the *North County Permanent Housing* grant in the amount of \$112,363. The program provides leasing and supportive services to disabled homeless individuals and one family with children in permanent supportive housing for one year. It also provides operations funds for TMHA. Up to 11 clients could be served at one time. Five of the eleven beds are targeted for chronically homeless individuals and two beds are targeted for veterans. This activity would be a one year grant.
4. TMHA and CAPSLO: A proposal to renew the *San Luis Obispo Transitional Housing through Case Management* program in the City of San Luis Obispo in the amount of \$483,009. This program provides case management for homeless clients through CAPSLO and 20 transitional housing beds and case management in residential units in the City of San Luis Obispo through TMHA. This activity would be renewed for one year.
5. CAPSLO: A proposal for renewal of the *South County Case Management* program in the amount of \$215,422. This program provides case management services to homeless clients in southern San Luis Obispo County. This activity would be renewed for one year.
6. County: A proposal to renew the County's *Homeless Management Information System (HMIS)* grant in the amount of \$61,160. The HMIS program provides a unified and unduplicated count of homeless persons being served in the County, and assists staff and non-profits in providing reports for HUD and community stakeholders. This activity would be a one year grant.
7. CAPSLO: A proposal to renew the *South County Permanent Housing and Case Management* program in the amount of \$54,570. This program provides leasing and supportive services to disabled homeless and chronically homeless individuals in permanent supportive housing for one year. Up to 5 persons can be housed at one time. This activity would be a one year grant.

If this application is approved, the County will contract with CAPSLO and TMHA for implementation of the above grant programs, except that the County will implement the HMIS grant. If approved by HUD for funding, all of the above grants can be renewed each year.

HUD is requiring prioritization of the grant applications due to uncertainty in the Federal budget. If the overall CoC budget is reduced, HUD prefers that local CoCs and decision makers determine which program(s) should be cut. Therefore, an ad hoc grant review committee of the HSOC met on January 10, 2014 and reviewed and ranked the project applications as shown in Table A below. Subsequently, on January 15, 2014, the full HSOC accepted the grant review committee's recommendation to prioritize the programs as follows:

**Table A: HSOC Recommendation**

<b>TIER 1</b>			
<b>Ranking</b>	<b>Project Name</b>	<b>Project Amount</b>	<b>Project Score</b>
1	North County Permanent Housing with Supports (TMHA) – 10 beds	\$56,049	94%
2	North County Permanent Housing and Case Management (CAPSLO) – 6 beds	\$49,028	90%
3	North County Permanent Housing (TMHA) – 11 beds	\$112,363	90%
4	SLO City Transitional Housing and Case Management Program (TMHA and CAPSLO) – 20 beds plus case management	\$483,009	88%
5	South County Supportive Services Only (CAPSLO) – case management only/no beds	\$215,422	88%
6	Homeless Management Information System	\$61,160	N/A
<b>TIER 2</b>			
<b>Ranking</b>	<b>Project Name</b>	<b>Project Amount</b>	<b>Project Score</b>
1	South County Permanent Housing (CAPSLO) – 5 beds	\$54,570	90%
<b>TOTAL REQUEST:</b>		<b>\$1,031,601</b>	

Projects in Tier 1 are relatively safe but projects ranked in Tier 2 are at risk of losing funds if there are not enough grant funds for all renewals. CoCs that receive a higher score have a better chance of being awarded projects ranked in Tier 2. Also, HUD will fund applications in Tier 2 in a priority order, with renewal Permanent Supportive Housing projects being its first priority.

While the South County Permanent Housing (CAPSLO) project rated higher than the SLO City Transitional Housing and Case Management Program and the South County Supportive Services Only programs, it is recommended that the Permanent Supportive Housing Project be ranked in Tier 2 for a couple of reasons. First, Permanent Supportive Housing (PSH) projects are HUD's first funding priority. Renewal transitional housing projects will rank fourth in priority of funding nationally, Supportive Services Only (SSO) will rank seventh, and HMIS projects will rank eighth. Therefore, PSH projects will be funded first in Tier 2 nationwide, giving it the best chance of being funded. Also, the Transitional Housing (TH) and SSO projects start their new program year on June 1<sup>st</sup>, and the PSH projects start their new program year on December 1<sup>st</sup>. HUD will likely not announce Tier 2 renewals until after the June 1<sup>st</sup> date, which could interrupt the TH and SSO programs.

The HSOC considered putting the HMIS program in the amount of \$61,160 in Tier 2 but did not recommend this. HMIS participation (including having an HMIS Administrator) is a Federal requirement for receiving CoC funds, but it is also one of HUD's lowest ranking priorities (eighth) when funding projects, so it is very likely it would not be funded. The CoC jeopardizes the entire CoC program if those funds (\$61,160) are lost and are not replaced by another funding source. Therefore, it is recommended that the HMIS program also be ranked in Tier 1, albeit as the last project in that Tier.

## **OTHER AGENCY INVOLVEMENT/IMPACT**

County Counsel has approved the resolution as to form and legal effect. Additionally, an ad hoc grant review committee of the HSOC discussed and prioritized the CoC applications and the full HSOC made a recommendation for prioritizing the applications.

TMHA and CAPSLO attended a Continuum of Care application stakeholder meeting. Several other non-profit agencies were also notified of the application through the Request for Proposals published in the Tribune and on the County's website.

## **FINANCIAL CONSIDERATIONS**

The Planning and Building Department's proposed budget for 2014-2015 will include enough funds for staff to administer this grant. If successful, the application may result in \$1,031,601 in grant funds being secured. Also, if HUD approves this grant, the budget for Cost Center 290 for fiscal year 2014-2015 will need to include these grant funds.

A \$15,290 cash match will be required for the HMIS grant in the 2013-2014 fiscal year. The cash match will come from the Community Development Block Grant program. The matching funds would be disbursed in the 2014-2015 fiscal year. Match for the other proposed grants would come from the sponsor agencies.

## **RESULTS**

Funds resulting from this grant application will enable the following:

1. Continued operation of case management services in the San Luis Obispo and South County areas;
2. Continue operation of 20 transitional housing beds in San Luis Obispo;
3. Continued operation of 32 permanent supportive housing beds and case management services for those clients; and
4. Continued operation of a Homeless Management Information System to track clients being served in the County.

Funds from this grant will enable homeless persons to receive needed services and housing. This includes assisting clients in obtaining and retaining stable permanent housing, aid in accessing emergency food, shelter, and medical assistance, aid in obtaining mainstream resources such as Social Security Income and MEDICAID health insurance, and transportation resources.

In the last program year, the San Luis Obispo Transitional Housing and Case Management grant served 223 persons (12% of which were children) and the South County Supportive Services Only grant served 184 persons (43% of which were children). Additionally, many of the persons that receive case management services are able to exit into permanent housing destinations. For example, 77% of persons exiting the South County grant moved to permanent housing destinations. If these projects are renewed, a similar number of clients will be provided services. The existing permanent housing grants will serve 32 homeless and chronically disabled homeless individuals (including one family) concurrently during the year. The HMIS program will provide an accurate count of homeless persons served in the County. This system will save staff time in annual reporting, and will provide a more accurate count of services being provided to homeless persons.

By enabling homeless persons to obtain the services they need to survive and stay healthy, this request would contribute toward the communitywide indicator of *A Healthy Community*.

## **ATTACHMENTS**

Exhibit A - Resolution

Exhibit B - HSOC CoC funding report